

SENATE BILL 3631

By Ketron

AN ACT to amend Tennessee Code Annotated, Title 6;
Title 7 and Title 68, Chapter 221, Part 10, relative
to certain water or sewer customers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 82, Part 7, is amended by
adding the following language as a new section:

Section ____.

(a)

(1) If a municipality provides water service directly to subscribers located within its corporate limits as well as subscribers living outside its corporate limits, once the subscriber base outside the corporate limits equals or is greater than twenty percent (20%) of the subscriber base inside the corporate limits, then the water rates imposed on the subscribers located outside the corporate limits may not exceed twenty-percent (20%) of the rates imposed on the subscribers located inside the corporate limits. Any rate exceeding such twenty percent (20%) rate must be approved by the water and wastewater financing board. Such board is authorized to lower any rate currently being charged, if it exceeds the limits established by this subsection, to a reasonable rate, in the discretion of the board, that is equal to or exceeds such twenty percent (20%) rate so long as the lowering of such rate will not affect the financial integrity of such water system.

(2) Any subscriber is authorized to file a written complaint with the water and wastewater financing board in such manner approved by the board.

(b) A public water system shall have no authority to charge a fee to any subscriber for services which are not available to the subscriber. Any subscriber is

further authorized to file a written complaint with the water and wastewater financing board in such manner approved by the board with relation to such a charge.

SECTION 2. Tennessee Code Annotated, Section 68-221-1009(a), is amended by adding the following language as a new, appropriately designated subdivision:

() Approve rates or rate increases of a municipally operated water system that provides water service directly to subscribers located within its corporate limits as well as subscribers living outside its corporate limits, and the subscriber base outside the city limits is equal to or greater than twenty percent (20%) of the subscriber base inside the corporate limits;

() Ensure that a public water system is not imposing a fee on any subscriber for services which are not available to the subscriber;

SECTION 3. For purposes of promulgating rules and regulations, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes this act shall take effect July 1, 2008, the public welfare requiring it.